

## **MEMORANDUM**

TO: Members, Public Disclosure Commission

FROM: Philip E. Stutzman, Director of Compliance

DATE: March 12, 2004

SUBJECT: Status of Compliance Cases

Enclosed is an update of all compliance activity since my last memo to you dated January 16, 2004. If you would like additional information, please let me know.

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**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

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## **Part I**

### **Investigations Completed**

#### **Cases Scheduled For Hearing:**

##### **Scheduled for Full Enforcement Hearing:**

###### **Committee for a Responsible Majority (C-Farm) --Case #04-383; Investigator: Lori Anderson**

Date Received: December 1, 2003

Date Started: December 2, 2003

Section of Law: RCW 42.17.040, .080, .090 & .640

Status: Investigation Complete

Summary: A complaint was received from Kurt Fritts, with the Senate Democratic Campaign Committee, alleging that Citizens for a Responsible Majority (C-Farm); 1) failed to timely file an amended Committee Registration Statement (PDC Form C-1pc); 2) failed to timely report contribution and expenditure activities; and 3) did not receive the required \$10 from ten registered voters within the last 180 days in order to be eligible to make contributions to legislative candidates. A hearing before the Full Commission was scheduled for March 24, 2004 but was continued to April.

Disposition: Pending

###### **Washington State Nurses Association PAC--Case #04-420; Investigator: Lori Anderson**

Date Received: January 16, 2004

Date Started: January 16, 2004

Section of Law: RCW 42.17.080 & .090

Status: Investigation Complete

Summary: A PDC staff generated complaint was filed by Vicki Rippie, PDC Executive Director, alleging that the Washington State Nurses Association Political Committee (PAC) failed to timely report contribution and expenditure activities undertaken during the period 1999 through 2003. A hearing before the Full Commission has been scheduled for March 24, 2004.

Disposition: Pending

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**Grays Harbor County Democratic Central Committee--Case #04-421; Investigator: Lori Anderson**

Date Received: January 16, 2004

Date Started: January 16, 2004

Section of Law: RCW 42.17.080 & .090

Status: Investigation Complete

Summary: A PDC staff generated complaint was filed by Vicki Rippie, PDC Executive Director, alleging that the Grays Harbor County Democratic Central Committee failed to timely report contribution and expenditure activities undertaken during the period 1999 through October 2003. A hearing before the Full Commission has been scheduled for March 24, 2004.

Disposition: Pending

**Scheduled for Brief Enforcement Hearing:** None.

## **Cases Closed**

The following cases were closed as a result of enforcement hearings: (Respondents may appeal the results of enforcement hearings. For the results of appeals, see “Compliance” and “Results of Enforcement” on the PDC’s home page at [www.pdc.wa.gov](http://www.pdc.wa.gov))

### **Full Enforcement Hearings:**

**Washington Independent Bankers PAC--Case #04-422; Investigator: Kurt Young**

Date Received: January 16, 2004

Date Started: January 16, 2004

Section of Law: RCW 42.17.080 & .090

Status: Investigation Complete

Summary: A PDC staff generated complaint was filed by Vicki Rippie, PDC Executive Director, alleging that the Washington Independent Bankers PAC (WIB PAC) failed to timely report contribution and expenditure activities undertaken during the period 2000 through 2003.

**Disposition:** A hearing before the Full Commission was held on February 24, 2004. The Commission accepted the Stipulation of Facts, Violations and Penalty, and the oral arguments made by Staff and WIB PAC. It was found that WIB PAC committed multiple violations of RCW 42.17.080 and .090 by failing to timely

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file Monetary Contributions reports (PDC form C-3) for contributions received between August 1, 2000 and November 30, 2003 totaling \$36,066. The Commission also found that WIB PAC committed multiple violations of RCW 42.17.080 and .090 by failing to timely file Summary Full Report, Receipts and Expenditures reports (PDC form C-4) disclosing contributions received and expenditures made between August 1, 2000 and November 30, 2003, with all expenditures being contributions totaling \$12,575 made to state legislative or statewide executive candidates. The Commission assessed a total civil penalty of \$3,500, which \$1,000 is suspended on the condition that WIB PAC commits no further violations of RCW 42.17 for a period of two years from the date of the order.

### **Reports to the Commission:**

**Mooney, Pat --Case #04-310; Investigator: Sally Parker**

Date Received: November 12, 2003

Date Started: November 13, 2003

Section of Law: RCW 42.17.040, .080, .090 & WAC 390-16-105

Status: Investigation Complete

Summary: Two complaints were received, one from Michael Evans and one from Brian Wetcher, alleging that Pat Mooney, a candidate for the Port of Anacortes, received contributions and made expenditures in support of his candidacy in excess of the mini reporting option limits. In addition, a “45-day Citizen Action Letter” was filed by Mr. Wetcher with the Office of the Attorney General and the Skagit County Prosecutor’s Office against Pat Mooney alleging almost identical violations as those outlined in the PDC complaint.

**Disposition:** This matter was originally presented to the Commission at its February 24, 2004 Commission meeting as a report to the Commission. The Commission directed that an enforcement hearing be held, which was done at a special Commission meeting on March 10, 2004. The Commission found that there were multiple apparent violations by Pat Mooney of the PDC’s statutes and rules including RCW 42.17.040, RCW 42.17.080, RCW 42.17.090, WAC 390-16-105, and WAC 390-16-125. The Commission noted the statutes and rules regarding mini reporting limits, and further noted that Mr. Mooney exceeded those limits, and that Mr. Mooney was aware that he should have advised his opponent of the fact he exceeded the mini reporting limits, but did not.

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The Commission observed that the expenditures and contributions by Mr. Mooney exceeded the mini reporting limits, that those expenditures and contributions upset the even playing field in the campaign, and could have affected the outcome of the election. The Commission determined that a referral to the Attorney General's Office of this matter was appropriate because the remedies that the Commission could impose statutorily were insufficient in considering the number and quality of the apparent violations, and their possible effect on the election. In lieu of entering Findings of Fact, Conclusions of Law, and an Order to impose a penalty or other relief, the Commission referred this matter to the Washington State Attorney General's Office, and requests the Attorney General's Office explore all remedies available, including the possibility of a court voiding the election.

**Brief Enforcement Hearings:** For the results of “Group Enforcement” brief enforcement hearings, other than from investigations, see “Compliance” and “Results of Enforcement” on the PDC’s home page at [www.pdc.wa.gov](http://www.pdc.wa.gov))

The following cases were dismissed with the concurrence of the chair during this period:

**People for Ethical Government (formerly registered as Friends of Aaron Reardon)  
Case #04-242; Investigator: Kurt Young**

Date Received: September 15, 2003

Date Started: September 19, 2003

Section of Law: RCW 42.17.3691 & .730

Status: Investigation Complete

Summary: A complaint was received from Paul Coates alleging that People for Ethical Government failed to file its reports electronically as required for a political committee, and that the committee’s sole officer, Young Ja Lee, was not the true source of a contribution and acted as an intermediary for that contribution made to the People for Ethical Government. The complaint also alleged that People for Ethical Government was not eligible to make contributions in the Snohomish County Executive race, but that provision will not be investigated since it only applies to political committees making contributions to state office candidates.

**Disposition:** Dismissed with the concurrence of the chair. It was found that on September 2, 2003, the Friends of Aaron Reardon filed a Committee Registration Statement (PDC Form C-1pc) registering as a political committee formed to support “Aaron Reardon for Snohomish County Executive.” The C-1pc listed

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Young Ja Lee as the committee’s only committee officer or principal. On September 11, 2003, Friends of Aaron Reardon filed an amended C-1pc, changing its committee name to People for Ethical Government (herein referred to as FOARPEG). FOARPEG filed a Monetary Contributions Report (PDC Form C-3) disclosing a \$16,600 contribution from Young Ja Lee. Ms. Lee stated under oath that the \$16,600 contribution was from her personal funds, that she was the true source of the funds, and that no one reimbursed her or provided her with the funds to make the contribution. Ms. Lee has been employed with the United States Postal Service as a clerk for twenty years. The \$16,600 contributed by Ms. Lee was used to hire a political consultant and produce and distribute political advertising that supported Aaron Reardon’s campaign in the form of independent expenditures. No evidence was found during the course of our investigation that any of the contributions received by Ms. Lee’s committee were from sources other than those disclosed by the committee.

FOARPEG received an additional \$16,020, from five contributors that were received and deposited on September 9, 2003. The \$16,020 in funds received from five different sources was also used to produce and distribute political advertising that supported Aaron Reardon’s campaign in the form of independent expenditures. FOAR/PEG timely reported expenditures totaling \$32,600 for a political committee in 2003, and thus were technically required to file reports electronically. \$16,600 of the money spent was personal funds of Ms. Lee that could have been disclosed on an Independent Expenditure Report (PDC Form C-6). The remaining \$16,000 in contributions received from other sources and spent on political advertisements were required to be reported as political committee funds, but were less than the \$25,000 threshold required for electronic filing. Thus, no violation of RCW 42.17.3691 or 42.17.730 was found to have occurred.

**Godden, Jean --Case #04-268; Investigator: Suemary Trobaugh**

Date Received: September 26, 2003

Date Started: October 1, 2003

Section of Law: RCW 42.17.530

Status: Investigation Complete

Summary: A complaint was received from Linda Mitchell alleging that Jean Godden, a candidate for Seattle City Council, sponsored political advertising that falsely implied she had the endorsement of Washington State Attorney General Christine Gregoire.

**Disposition:** Dismissed with the concurrence of the chair. It was found that Ms. Godden included Attorney General Christine Gregoire as an endorser of her



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candidacy based on a conversation she had with Ms. Gregoire at the King County Labor Council’s Labor Day Picnic at Woodland Park. Ms. Godden stated that during the picnic, Attorney General Gregoire told her that she “*was a supporter and was glad I was running for elected office.*” Cathy Allen, Ms. Godden’s campaign consultant, corroborated Ms. Godden’s description of her encounter with Ms. Gregoire at the Labor Day Picnic. According to Ms. Allen, Ms. Godden asked Attorney General Gregoire if she would support her and was told she would be happy to do so. Given this description, Ms. Allen stated that she too believed that Ms. Godden had received an endorsement. Shortly after that time, the Godden Campaign received an e-mail from Attorney General Gregoire stating that she did not endorse anybody in the race. Ms. Allen then sent an e-mail to Attorney General Gregoire to clarify whether an endorsement had been granted. Ms. Gregoire wrote to Ms. Allen and to the complainant, confirming that she had not endorsed any candidate. In Attorney General Gregoire’s e-mail to the complainant on that same date, she confirmed that the endorsement matter was a good faith misunderstanding.

Based on the e-mail, the Godden Campaign reprinted flyers and requested their web master to remove Ms. Gregoire’s name from the web site, and the campaign corrected the remaining flyers by affixing a sticker over Ms. Gregoire name. There is no evidence to suggest that Attorney General Gregoire’s name was advertised as an endorser after September 25, 2003. Given that the campaign received confirmation that the endorsement was not given by Attorney General Gregoire on Sunday, September 21<sup>st</sup>, it appears the campaign took four days, until September 25, 2003, to correct its political advertising. There is no evidence that the Godden Campaign acted with “actual malice” by initially including her name, given that Ms. Gregoire describes the matter as a “*good faith misunderstanding.*”

**Orvis, David -- Case #04-270; Investigator: Sally Parker**

Date Received: September 29, 2003

Date Started: October 1, 2003

Section of Law: RCW 42.17.530

Status: Investigation Complete

Summary: A complaint was received from Raymond Martin alleging that David Orvis, an incumbent Edmonds City Councilmember up for re-election in 2003, sponsored a political advertisement that contained false statements.

**Disposition:** Dismissed with the concurrence of the chair. It was found that David Orvis sponsored a political advertisement mailed to voters that addressed the Edmonds City Council passing a mandatory spay and neuter policy for the

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cities animal shelter. The advertisement went on to state “This year’s elections could shift the balance of the council on the mandatory spay and neuter policy.” Mr. Orvis also stated in the advertisement that his opponent, Richard Demeroutis, was backed by people opposed to the mandatory spay and neuter policy. The first alleged false statement is not a false statement about a candidate, since it was about what happened in the City of Edmonds regarding the city’s mandatory spay and neuter policy. It is also a statement of Mr. Orvis’ opinion that the 2003 elections could shift the balance of the council on the mandatory spay and neuter policy. Mr. Orvis’ opponent, Richard Demeroutis, received contributions from two individuals who publicly stated their opposition to the mandatory spay and neuter policy at Edmonds City Council meetings. Therefore, Mr. Orvis did not make a false statement when he said that Mr. Demeroutis was backed by people that were opposed to the city’s spay and neuter policy.

**Demeroutis, Richard – Case #04-277; Investigator: Lori Anderson**

Date Received: October 7, 2003

Date Started: October 10, 2003

Section of Law: RCW 42.17.530

Status: Investigation Complete

Summary: A complaint was received from John Quast, alleging that Richard Demeroutis, a candidate for Edmonds City Council, sponsored political advertising that falsely implied he had the endorsement of Mr. Quast.

**Disposition:** Dismissed with the concurrence of the chair. It was found that Mr. Demeroutis asked campaign volunteers to mail campaign solicitation letters on his behalf. Mr. Demeroutis provided approximately 25 copies of the letter to campaign volunteers who then mailed about 20 copies of the letter to friends and other individuals whom the volunteer knew had contributed to other campaigns. The volunteer, Finnis Tupper, used his own name and address as the return address on eighteen of the letters, and the return address on the remaining two letters read “*J. Quast, 15714 7<sup>th</sup> Pl. W., Edmonds, WA 98026*”. Mr. Tupper was not asked to use anybody else’s name and return address on the solicitation letters nor did he voluntarily tell anyone, including Mr. Demeroutis, that he had done so. Mr. Tupper’s use of Mr. Quast’s name and return address on Mr. Demeroutis’ solicitation letter appears to falsely imply Mr. Quast’s endorsement of Mr. Demeroutis. The action was orchestrated by Mr. Tupper without the knowledge or consent of Mr. Demeroutis. Since this was an isolated instance involving only two solicitation letters, PDC staff did not believe the quantity distributed is of a magnitude that would warrant further enforcement. Mr. Demeroutis was reminded of his responsibility to take all reasonable measures to insure that future

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campaign volunteers and staff comply with Washington state law. Mr. Tupper was cautioned to not sponsor future political advertisements that claim or imply the support or endorsement of a candidate when the candidate does not have such support or endorsement.

**Citizens for La Connor--Case #04-282; Investigator: Lori Anderson**

Date Received: October 15, 2003

Date Started: October 21, 2003

Section of Law: RCW 42.17.040, .080 & .090

Status: Investigation Complete

Summary: A complaint was received from Dan O'Donnell alleging that Citizens for La Conner engaged in activities to support and oppose local candidates, but failed to register and report as a political committee.

**Disposition:** Dismissed with the concurrence of the chair. Upon receipt of the complaint, an investigation had been started by PDC staff. However, during the course of the investigation, PDC staff became aware that the Town of La Conner had 622 registered voters as of the 2002 general election. Pursuant to RCW 42.17.405(1), political committees formed to support or oppose candidates in jurisdictions with fewer than 1,000 registered voters are exempt from the registration requirement. Because the Town of La Conner had fewer than 1,000 registered voters as of the 2002 general election, Citizens for La Conner was not required to register and report contribution and expenditure activities with the Public Disclosure Commission. Thus, the investigation was closed.

**Tinsley, Tony--Case #04-287; Investigator: Kurt Young**

Date Received: October 17, 2003

Date Started: October 21, 2003

Section of Law: RCW 42.17.530

Status: Investigation Complete

Summary: A complaint was received from Cathy Reese alleging that Tony Tinsley, a candidate for Mukilteo City Council, sponsored political advertising that falsely claimed he had the endorsement of Teamsters Local #563, the Mukilteo Police and Mukilteo Public Works employees. In addition, the complaint alleged that Mr. Tinsley continued to claim the endorsement in political advertising after being informed that he did not have the endorsement.

**Disposition:** Dismissed with the concurrence of the chair. It was found that Tony Tinsley contacted Teamsters Local 763 union in late August 2003, requesting its endorsement of his candidacy. On September 16, 2003, Mr. Tinsley received a letter from Dave Reynolds, Secretary-Treasurer of the Teamsters Local 763,

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confirming the endorsement. Mr. Tinsley produced and distributed a political advertisement shortly after the primary election that discussed his positions on a number campaign issues, and also included six endorsements, including one from Teamsters Local 763, and employees of Mukilteo Police and Public Works departments. Mr. Tinsley distributed the political advertisement at a number of campaign appearances, and also mailed a copy of the brochure to 2,400 absentee voters. On October 11, 2003, Mr. Tinsley received a letter from John Campbell, a business representative of Teamsters Local 763, stating that the Mukilteo Police Officers wished “*to remain neutral in political issues involving the city of Mukilteo*”, and stating that information had not been communicated to union individuals/officials that were involved in the endorsement process. Mr. Tinsley produced and distributed several political advertisements informing the recipients about the Teamsters Local 763 endorsement issue, and clarifying that he received an endorsement from the Mukilteo Public Works union but not from the Mukilteo Police Officers Union. In addition, Teamsters Local 763 also provided similar clarifying information distributed through the local newspaper.

After being contacted by the Teamsters Local 763 about the “non-endorsement” stance taken by the Mukilteo Police Officers Union of any candidates, Mr. Tinsley took corrective action to inform voters about the “partial endorsement” of his candidacy by Teamsters Local 763 and Mukilteo Public Works Union, and explaining the neutral position of the Mukilteo Police Officers Union. Thus, no violation of RCW 42.17.530 was found to have occurred by Tony Tinsley or his campaign.

**Reardon, Aaron--Case #04-290; Investigator: Kurt Young**

Date Received: October 24, 2003

Date Started: October 24, 2003

Section of Law: RCW 42.17.050

Status: Investigation Complete

Summary: A complaint was received from Dorothy Zimmerman alleging that Aaron Reardon, a candidate for Snohomish County Executive, established, directed and controlled more than one committee, specifically, People for Ethical Government (formerly Friends of Aaron Reardon), and his 2003 campaign committee at the same time.

**Disposition:** Dismissed with the concurrence of the chair. It was found that on September 2, 2003, a political committee entitled Friends of Aaron Reardon filed a Committee Registration Statement (PDC Form C-1pc) with the PDC, registering as a political committee. The C-1pc indicated that the committee was formed to

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support “*Aaron Reardon for Snohomish County Executive*”, and listed Young Ja Lee as the committee’s only officer or principal. Ms. Lee stated during her interview under oath that she did not coordinate, consult or collaborate any of the activities undertaken by Friends of Aaron Reardon or People for Ethical Government with Aaron Reardon, or any agent or consultant of the Aaron Reardon Campaign. She went on to state the activities undertaken by Friends of Aaron Reardon were her own idea.

Aaron Reardon stated during his interview under oath that he had no personal knowledge of the activities undertaken by Friends of Aaron Reardon/People for Ethical Government, and said he did not authorize or request that they undertake any activities on behalf of his candidacy. He stated that to the best of his knowledge, no one in his campaign had any involvement or knowledge about the activities being undertaken by the committee, and said he did not review or participate in any way in the development, production or distribution of the mail pieces generated by Friends of Aaron Reardon/People for Ethical Government.

No evidence was found that Aaron Reardon or an agent of his campaign either controlled, consulted, collaborated or otherwise had knowledge of the activities undertaken by the Friends of Aaron Reardon/People for Ethical Government Committee.

**Washington Affordable Housing Council--Case #04-301; Investigator: Kurt Young**

Date Received: October 28, 2003

Date Started: November 4, 2003

Section of Law: RCW 42.17.105

Status: Investigation Complete

Summary: A complaint was received from Diane McDaniel with the Washington State Labor Council alleging that the Washington Affordable Housing Council, the state political committee of the Building Industry Association of Washington, received contributions during the 21-day period prior to the general election in excess of the \$5,000 limitation.

**Disposition:** Dismissed with the concurrence of the chair. It was found that the Affordable Housing Council (AHC) filed a Last Minute Contribution Report (LMC) disclosing a \$23,857.50 contribution to the WAHC, the state political committee of the Building Industry Association of Washington that was made on October 16, 2003. In addition, the Pierce County Affordable Housing Council (PCAHC) filed an LMC report disclosing a \$6,172.50 contribution made on October 23, 2003, to the WAHC. Both the \$23,857.50 contribution from the

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AHC and the \$6,172.50 contribution from the PCAHC were presented to the WAHC at the Building Industry Association of Washington’s Fall Board Meeting on October 23, 2003. The WAHC checked with the PDC after receiving the two contributions, and based upon that conversation, did not deposit the contributions. The AHC and the PCAHC contributions were promptly returned by the WAHC and the checks were voided. In addition, the AHC and the PCAHC both submitted amended reports disclosing the returning of the contributions to the WAHC. The WAHC returned the contributions within five days of receipt in accordance with RCW 42.17.020(14). Thus, no contributions were made by the AHC and the PCAHC or received by the WAHC, and no contributions were considered received by the WAHC.

**Independent Business Association--Case #04-306; Investigator: Kurt Young**

Date Received: October 28, 2003

Date Started: November 4, 2003

Section of Law: RCW 42.17.180

Status: Investigation Complete

Summary: A complaint was received from Diane McDaniel with the Washington State Labor Council alleging that the Independent Business Association (IBA), a lobbyist employer, made in-kind contributions to the Workers Against Job Killing Rules (WAJKR), a political committee supporting a statewide initiative, for employee work conducted on behalf of Initiative 841 that was not reported as required for a lobbyist employer.

**Disposition:** Dismissed with the concurrence of the chair. It was found that the IBA is a lobbyist employer, and that Gary Smith, Executive Director for the IBA, is their registered lobbyist. Mr. Smith stated that he was not a principal decision maker or involved in any leadership role for WAJKR. He stated that he did not know he had been listed as a “press contact” on the WAJKR website until he received a copy of the complaint. He said he received no press contacts as a result of being listed on the website. Mr. Smith said he attended discussions regarding Initiative 841 that were sponsored by the Seattle Chamber of Commerce, but said his attendance was the result of his contact with the Chamber of Commerce. Mr. Smith said a number of IBA members were also members of the Seattle Chamber of Commerce. Mr. Smith said he attended the meeting as a member of IBA, and not because of WAJKR. Mr. Smith also provided a copy of the 2003 General Election Voters Pamphlet, in which he noted that neither the IBA, nor his name appeared as a supporter of I-841. No evidence was provided by the complainant, nor was any evidence found during the course of the

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investigation substantiating the allegation that the IBA or Gary Smith received “press contacts” related to WAJKR, and failed to report those activities.

**National Federation of Independent Business--Case #04-307; Investigator: Kurt Young**

Date Received: October 28, 2003

Date Started: November 4, 2003

Section of Law: RCW 42.17.180

Status: Investigation Complete

Summary: A complaint was received from Diane McDaniel with the Washington State Labor Council alleging that the National Federation of Independent Business Association (NFIB), a lobbyist employer, made in-kind contributions to the Workers Against Job Killing Rules, a political committee supporting a statewide initiative, for employee work conducted on behalf of Initiative 841 that was not reported as required for a lobbyist employer.

**Disposition:** Dismissed with the concurrence of the chair. It was found that Carolyn Logue, the Northwest Regional and Washington State Director of NFIB, and a registered lobbyist for NFIB, filed a Monthly Lobbyist Expense Report (PDC Form L-2) on November 17, 2003, disclosing two in-kind contributions from NFIB to WAJKR totaling \$470. The in-kind contributions included a \$206 in-kind contribution for NFIB staff time and mileage for a speech in Kent on September 19, 2003, and a \$264 in-kind contribution for NFIB staff time and mileage for a press interview on October 29, 2003, both related to I-841. The L-2 report also disclosed a \$50 personal contribution made by Ms. Logue to the WAJKR committee. Ms. Logue estimated that she spent 1.5 hours during the month of October answering calls from reporters and returning calls to reporters concerning NFIB’s position in support of I-841, and went on to state that at the time of the calls she did not believe she was working on behalf of the I-841 campaign, but rather on behalf of NFIB members. The value of Ms. Logue’s estimated time on these calls was \$83.

According to WAC 390-16-207(6), in-kind contributions from one source that are received by a political committee are not reportable by the recipient until the aggregate value of those in-kind contributions exceed \$50 during a reporting period. The calls occurred over the course of three reporting periods during October, and while Ms. Logue was unable to determine the amount of time she spent on calls during each reporting period, it is unlikely that an in-kind contribution of more than \$50 occurred during any one period. It was unlikely that the benefiting committee, WAJKR received reportable in-kind contributions

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from the NFIB. Ms. Logue indicated that the majority of her time spent in support of I-841 was on internal political communication with members of the NFIB. Ms. Logue is now aware that the time spent on press contacts and editorial board appearances in support of a ballot proposition is reportable. No enforcement action was warranted for Ms. Logue’s failure to report the estimated \$83 in in-kind contributions.

## **Cases Referred To Attorney General For Further Action**

### **Concerned Citizens for Better Government (CCBG) and Joseph Coomer, Treasurer, CCBG--#00-241; Investigator: Kurt Young**

Date Received: October 21, 1999

Date Started: October 25, 1999

Section of Law: RCW 42.17.080 and .090

Status: Investigation Complete

Summary: A complaint was received from Meg Van Wyk, alleging that Concerned Citizens for Better Government (CCBG) and Joseph Coomer, Treasurer, CCBG, distributed political advertising without properly reporting or filing the required campaign disclosure reports. An enforcement hearing was held February 27, 2001.

**Disposition:** The Commission found that the Respondent committed multiple apparent violations and referred the matter to the Attorney General’s Office.

### **Washington Education Association—Case #01-002; Investigator: Lori Anderson**

Date Received: August 15, 2000

Date Started: August 18, 2000

Section of Law: RCW 42.17.760

Status: Investigation Complete

Summary: A complaint was received from the Evergreen Freedom Foundation and public school employees alleging that the Washington Education Association (WEA) and Washington School Districts are in violation of RCW 42.17.680 and 42.17.760. The complaint alleges that Washington School Districts are in violation of RCW 42.17.680 by withholding dues and fees from employees’ wages that are used by the WEA and the National Education Association (NEA) for contributions to political campaigns. The complaint also alleges that the WEA is violating RCW 42.17.760 by using agency shop fees for political contributions and expenditures without the affirmative authorization of non-members. The complaint was forwarded to the PDC by the Attorney General’s Office following



**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

its receipt of the complaint from EFF. The complaint was filed with the Attorney General’s Office and all County Prosecuting Attorneys requesting that an action be commenced in the courts to address the apparent violations of RCW 42.17. The complaint said that if an action were not commenced in court the complainant would seek appropriate legal and equitable relief pursuant to RCW 42.17. RCW 42.17.400(4) provides a 45-day time period before a complainant may take steps to initiate a citizen’s action in superior court.

**Disposition:** The Commission accepted a Stipulation of Facts, Violations and Recommendations, found that the Respondent committed an apparent violation of RCW 42.17.760, stipulated to as actual violations, and referred the matter to the Attorney General’s Office.

**Thurston County Superior Court Disposition:** The Attorney General’s Office filed suit in Thurston County, and the case went to trial in Thurston County Superior Court. The Thurston County Superior Court found the Respondent intentionally violated RCW 42.17.760, and assessed a total civil penalty of \$400,000. The Washington Education Association has appealed that decision.

**Permanent Offense, Permanent Offense Incorporated, Traffic Improvement Initiative Committee, and Tim Eyman—Case #02-281; Investigator: Kurt Young; (Also received 45-Day Letter of Complaint)**

Date Received: February 6, 2002

Date Started: February 6, 2002

Section of Law: RCW 42.17.080, .090, .120, & .125

Status: Investigation Complete

Summary: A complaint was filed by PDC Executive Director Vicki Rippie against Permanent Offense, Permanent Offense Incorporated, Traffic Improvement Initiative Committee, and Tim Eyman alleging the following: 1) failure to properly report committee expenditures, including the purpose of those expenditures; 2) concealing the fact that committee funds were expended to pay Mr. Eyman for compensation for the work he performed on behalf of Permanent Offense; 3) use of committee funds to pay for Mr. Eyman’s personal expenses. In addition, a “45-day letter of complaint” was filed by Richard A. Smith and Knoll Lowney, attorneys with Smith & Lowney, PLLC, representing Permanently Offended, with the Office of the Attorney General and the County Prosecutor’s Offices in King, Snohomish and Thurston counties against Permanent Offense, Permanent Offense, Inc., Traffic Improvement Initiative, Tim Eyman, Karen Eyman, and Suzanne Karr alleging violations similar to those outlined in the PDC complaint.

**Disposition:** A report to the Commission was presented at its special April 9,

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

Commission meeting. The Commission found that the Respondent committed multiple apparent violations and referred the matter to the Attorney General’s Office.

**National Education Association—Case #02-282; Investigator: Suemary Trobaugh; (45-Day Letter of Complaint)**

Date Received: January 31, 2002

Date Started: February 6, 2002

Section of Law: RCW 42.17.040, .080, .090, .680 and .760

Status: Investigation Complete

Summary: On January 31, 2002, the Evergreen Freedom Foundation, Lowell Johnson, Carrie Riplinger, Susan Kobes and David Williams, through attorney Jeanne Brown filed a citizen’s action letter under RCW 42.17.400(4) with the Office of the Attorney General and the State of Washington’s County Prosecutors’ Offices. The complaint alleged violations by the NEA’s Ballot Measure/Legislative Crisis and Media Campaign Fund of 1) RCW 42.17.040 et. seq (failure to register as a political committee); 2) violations of RCW 42.17.680(3) (diverting a portion of an employee's wages or salaries for contributions to political committees without the written request of the employee); and 3) violations of RCW 42.17.760 (using agency shop fees paid by non members to influence an election without written authorization by the Individual). On February 6, 2002, the Office of the Attorney General officially notified the PDC that they were referring the matter to the PDC for investigation. PDC Staff completed a Preliminary Report of Investigation and prepared a memorandum to Commission members concerning Staff’s findings and recommendation.

**Disposition:** On April 9, 2002, the matter was on the Commission’s agenda as a report to the Commission. In light of the complaint the Evergreen Freedom Foundation filed against the NEA in Thurston County Superior Court on April 8, 2002 under provisions of RCW 42.17.400(4), the Commission accepted Staff’s recommendation that it take no action in this case. On August 23, 2002, Thurston County Superior Court Judge Paula Casey dismissed the lawsuit filed by EFF against NEA. Judge Casey’s dismissal was based on a decision by the WA State Court of Appeals in State ex rel. Evergreen Freedom Foundation v Washington Education Association, No. 25272-4-II, where the court stated that “Before the 10-day period<sup>1</sup> had passed after EFF’s second letter to the AG, the AG forwarded

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<sup>1</sup> RCW 42.17.400 states: “The citizen action may be brought only if the attorney general...ha(s) failed to commence an action hereunder within forty-five days and after such notice and such person has thereafter further

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the allegations to the PDC for investigation...Because the AG acted before the end of the 10-day period, EFF could not bring a citizen’s action lawsuit under RCW 42.17.400...” By a unanimous vote, the Commission dismissed the allegations that NEA violated RCW 42.17.040 and 42.17.680.

On October 2, 2002, at a special Commission meeting, by a unanimous vote, the Commission dismissed the allegations that NEA violated RCW 42.17.040 and 42.17.680. By a unanimous vote, the Commission found multiple apparent violations of RCW 42.17.760 by the NEA when it used agency shop fees to make contributions or expenditures to influence an election or to operate a political committee without authorization from the employees. The Commission found that given the insufficiency of its penalty authority, in lieu of holding an enforcement hearing, the Commission referred the above referenced apparent violations to the Washington State Attorney General's Office for appropriate action pursuant to RCW 42.17.360 and .395 and WAC 390-37-100.

**Concerned Citizens for Better Government (CCBG) and Joseph Coomer,  
Treasurer, CCBG--#03-080; Investigator: Kurt Young**

Date Received: November 6, 2002

Date Started: November 6, 2002

Section of Law: RCW 42.17.080 and .090

Status: Investigation Complete

Summary: A complaint was filed by Vicki Rippie, PDC Executive Director, alleging that the Concerned Citizens for Better Government (CCBG) and Joseph Coomer, Treasurer of CCBG distributed political advertising related to more than one election cycle without reporting contribution and expenditures activities that were undertaken.

**Disposition:** This matter was presented as a report to the Commission on March 25, 2003. The Commission found multiple apparent violations of RCW 42.17.065, 42.17.080 and 42.17.090 by the Respondents for failing to timely report contribution and expenditure information for 2001 and 2002 activities supporting or opposing candidates and ballot propositions. Given the insufficiency of its penalty authority, the Commission referred the apparent violations to the Attorney General’s Office for appropriate action.

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notified the attorney general...that said person will commence a citizen’s action within ten days upon their failure to do so...”

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

**Hopkins, Hank/Environmental Materials Transport, LLC--Case #03-153;**

**Investigator: Sally Parker**

Date Received: April 15, 2002

Date Started: April 19, 2002

Section of Law: RCW 42.17.105 & .120

Status: Investigation Complete

Summary: This case is related to PDC Case No. 02-296. Hank Hopkins as President of Environmental Materials Transport, LLC (EMTLLC) was added as a respondent by PDC staff alleging that Mr. Hopkins made contributions in excess of \$5,000 within 21 days of the 2001 general election by contributing \$20,000 to Don Wasson's political committee to support Des Moines City Council candidates Petersen, Benjamin and Steenrod. It was further alleged that Mr. Hopkins and EMT LLC concealed the source and amount of an initial \$1,000 payment that was made to Don Wasson and his political committee to support the campaigns of Gary Petersen and Richard Benjamin. In addition, it is also alleged that Mr. Hopkins and EMT LLC concealed the source and amount of contributions that were made to Mr. Wasson's political committee totaling \$20,000 that also supported the 2001 Council campaigns of Mr. Petersen, Mr. Benjamin, and Ms. Steenrod.

**Disposition:** An Enforcement hearing before the Full Commission was held on March 25, 2003. The Commission found multiple apparent violations of RCW 42.17.120 by the Respondents for concealing contributions used to benefit candidates in the 2001 Des Moines City Council election. Given the insufficiency of its penalty authority, the Commission referred the apparent violations to the Attorney General's Office for appropriate action.

## **Part II**

### **Active Investigations**

#### **Investigations In Progress**

**Pearsall-Stipek, Cathy; McCarthy, Pat-- Case #02-294; Investigator: Sally Parker**

Date Received: April 3, 2002

Date Started: April 15, 2002

Section of Law: RCW 42.17.130

Status: Under Investigation

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

Summary: A complaint was received from Dale Washam alleging that Cathy Pearsall-Stipek, Pierce County Auditor, used or authorized the use of facilities of the Pierce County Auditor’s Office to assist her 1998 election campaign for Pierce County Auditor and the 2002 election campaign of Pat McCarthy for Pierce County Auditor. The portion of the complaint alleging that Pat McCarthy violated RCW 42.17.130 was dismissed July 22, 2002.  
Disposition: Pending

**Benjamin, Richard; Peterson, Gary; Case #02-296; Investigator: Sally Parker**

Date Received: April 15, 2002

Date Started: April 19, 2002 (Hearing held March 25, 2003 for portion of issues)

Section of Law: RCW 42.17.120, .080, .090, .240

Status: Under Investigation

Summary: A complaint was received from Dave Kaplan alleging that Gary Peterson failed to disclose information on his Personal Financial Affairs Statement (PDC Form F-1); that consulting services were provided by Don Wasson to two Des Moines City Council candidates that exceeded the mini reporting limits; that the Des Moines Marina Association made contributions to three candidates for Des Moines City Council that were not disclosed; that a political advertisement was produced and distributed in the City of Des Moines without sponsor identification; that additional political advertisements supporting or opposing candidates for Des Moines City Council failed to contain proper sponsor identification and were not timely reported. On May 1, 2002, a complaint addressing several of the same issues was received from Stanley M. Scarvie on behalf of Citizens for Des Moines. Mr. Scarvie’s complaint has been combined with Case #02-296.

In addition, Don Wasson was added as a Respondent and the issues concerning Mr. Wasson, as well as the issues concerning other Respondents named in the original complaint, have been handled through an enforcement hearing held March 25, 2003. (See Results of Enforcement Hearings on PDC Web page under Compliance.) The remaining issues deal with allegations of concealment (RCW 42.17.120) by Richard Benjamin and Gary Peterson, reporting issues (RCW 42.17.080 and .090) by Gary Peterson, and financial affairs reporting issues (RCW 42.17.240) by Gary Peterson.

Disposition: Pending

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

**Hammond, Steve--Case #04-239; Suemary Trobaugh**

Date Received: September 9, 2003

Date Started: September 19, 2003

Section of Law: RCW 42.17.080, .090 and .130

Status: Under Investigation

Summary: A complaint was received from David Osgood alleging that the Steve Hammond campaign failed to report the receipt of an in-kind contribution of professional services for the value of filing a challenge to Senator Pam Roach's voter registration. Mr. Hammond is an incumbent King County Council member.

Disposition: Pending

The complaint also alleged that Diane Fish, a King County Council employee on Mr. Hammond's staff, and Jeff Cox, also on Mr. Hammond's King County Council staff, worked on the challenge to Senator Roach's voter registration while on County time. This portion of the complaint will be added to the complaint as an alleged violation of RCW 42.17.130.

**Hession, Dennis--Case #04-281; Investigator: Tony Perkins**

Date Received: October 15, 2003

Date Started: October 21, 2003

Section of Law: RCW 42.17.060, .080, .090 & .3691

Status: Under Investigation

Summary: A complaint was received from Donna McKereghan alleging that Dennis Hession, a candidate for Spokane City Council President, failed to timely deposit contributions within five business days of receipt, failed to timely file C-3 and C-4 reports of contributions and expenditures, and failed to timely file reports of contribution and expenditure activities electronically.

Disposition: Pending

**Rodgers, Pat--Case #04-284; Investigator: Suemary Trobaugh**

Date Received: October 16, 2003

Date Started: October 21, 2003

Section of Law: RCW 42.17.510

Status: Under Investigation

Summary: A complaint was received from William Biery alleging that Pat Rodgers, a candidate for Jefferson County Commissioner, sponsored political advertising that failed to contain a complete sponsor identification including the address.

Disposition: Pending

**Note: If the Disposition shows "Pending," the case has not yet been resolved and no finding on the allegations has been made.**

**Citizens Campaign Committee --Case #04-291; Investigator: Tony Perkins**

Date Received: October 24, 2003

Date Started: October 24, 2003

Section of Law: RCW 42.17.040, .080, .090 & .105

Status: Under Investigation

Summary: A complaint was received from Diana Phillips alleging that Citizen's Campaign Committee, a recently formed political committee: 1) failed to register within three business days of its organization; 2) failed to timely file C-3 and C-4 reports disclosing contribution and expenditure activities; 3) accepted a contribution of more than \$5,000 within 21 days of the general election when it accepted \$10,000 from Patrick Echelbarger.

Disposition: Pending

**Clemmons, David --Case #04-292; Investigator: Sally Parker**

Date Received: October 27, 2003

Date Started: October 27, 2003

Section of Law: RCW 42.17.080, & .090

Status: Under Investigation

Summary: A complaint was received from Stan Scarvie alleging that David Clemmons, a candidate for Des Moines City Council, failed to file any required C-3 and C-4 reports for a candidate presumed to be under the full reporting option.

Disposition: Pending

**Moran, Karen --Case #04-294; Investigator: Sally Parker**

Date Received: October 28, 2003

Date Started: October 28, 2003

Section of Law: RCW 42.17.530

Status: Under Investigation

Summary: A complaint was received from Nancy Whitten, a candidate for City Council in the City of Sammamish, alleging that Karen Moran and Michael Rundle (also candidates for City Council in the City of Sammamish) made false statements of material fact in political advertisements sponsored by their respective campaigns. Ms. Whitten alleges that both falsely state that she (Nancy Whitten) authored a false mailing against Ms. Moran.

Disposition: Pending

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

**Rundle, Michael --Case #04-295; Investigator: Sally Parker**

Date Received: October 28, 2003

Date Started: October 28, 2003

Section of Law: RCW 42.17.530

Status: Under Investigation

Summary: A complaint was received from Nancy Whitten, a candidate for City Council in the City of Sammamish, alleging that Karen Moran and Michael Rundle (also candidates for City Council in the City of Sammamish) made false statements of material fact in political advertisements sponsored by their respective campaigns. Ms. Whitten alleges that both falsely state that she (Nancy Whitten) authored a false mailing against Ms. Moran.

Disposition: Pending

**Young, Julie --Case #04-296 Investigator: Tony Perkins**

Date Received: October 28, 2003

Date Started: October 28, 2003

Section of Law: RCW 42.17.090

Status: Under Investigation

Summary: A complaint was received from Dan Foster alleging that Julie Young, a candidate for Vancouver City Council failed to make her campaign books and records available on the 8<sup>th</sup> day before the November 4, 2003 general election as required.

Disposition: Pending

**Workers Against Job Killing Rules--Case #04-299 & Building Industry Association of Washington—Case #04-300; Investigator: Kurt Young**

Date Received: October 28, 2003

Date Started: November 4, 2003

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: A complaint was received from Diane McDaniel with the Washington State Labor Council alleging that 1) Workers Against Job Killing Rules (WAJKR); 2) Building Industry Association of Washington (BIAW); 3) Washington Affordable Housing Council; 4) Pierce County Affordable Housing Council; 5) Master Builders Association of King and Snohomish County; 6) Affordable Housing Council; 7) Association of Washington Business; 8) Independent Business Association; 9) National Federation of Independent Business; 10) Washington Food Industry; and 11) Washington State Farm Bureau



**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

violated RCW 42.17. The complaints against the entities other than WAJCR and BIAW are listed separately below.

The complaint alleges that WAJCR received contributions in excess of \$5,000, and that the BIAW made contributions in excess of \$5,000 within 21 days of the 2003 general election in violation of RCW 42.17.105. It is alleged that in some instances Last Minute Contribution reports were not filed, in violation of RCW 42.17.105 by the WAJCR and the BIAW. It is further alleged that in-kind contributions were not properly reported by WAJCR as a political committee (RCW 42.17.080 and .090) or BIAW as a lobbyist employer (RCW 42.17.180). The complaint also alleges that WAJCR failed to make all of its records available for inspection during the eight days before the general election (RCW 42.17.080(5)).

Disposition: Pending

**Washington Food Industry--Case #04-308; Investigator: Kurt Young**

Date Received: October 28, 2003

Date Started: November 4, 2003

Section of Law: RCW 42.17.180

Status: Under Investigation

Summary: A complaint was received from Diane McDaniel with the Washington State Labor Council alleging that the Washington Food Industry (WFI), a lobbyist employer, made in-kind contributions to the Workers Against Job Killing Rules, a political committee supporting a statewide initiative, for employee work conducted on behalf of Initiative 841 that was not reported as required for a lobbyist employer.

Disposition: Pending

**Washington State Farm Bureau--Case #04-309; Investigator: Kurt Young**

Date Received: October 28, 2003

Date Started: November 4, 2003

Section of Law: RCW 42.17.180

Status: Under Investigation

Summary: A complaint was received from Diane McDaniel with the Washington State Labor Council alleging that the Washington State Farm Bureau (WSFB), a lobbyist employer, made in-kind contributions to the Workers Against Job Killing Rules, a political committee supporting a statewide initiative, for employee work conducted on behalf of Initiative 841 that was not reported as required for a lobbyist employer.

**Note: If the Disposition shows "Pending," the case has not yet been resolved and no finding on the allegations has been made.**

Disposition: Pending

**Perry, Andrea --Case #04-311; Investigator: Suemary Trobaugh**

Date Received: November 12, 2003

Date Started: November 13, 2003

Section of Law: RCW 42.17.080, .090, .510 & .530

Status: Under Investigation

Summary: A complaint was received from Tim Olsen alleging that Andrea Perry, a candidate for Bothell City Council; 1) sponsored political advertising that contained a false statement; 2) failed to include the fair market value of a website as an in-kind contribution; and 3) failed to include the proper sponsor identification on the website.

Disposition: Pending

**Wetcher, Brian --Case #04-313; Investigator: Sally Parker**

Date Received: November 20, 2003

Date Started: November 25, 2003

Section of Law: RCW 42.17.040, .080, .090 & WAC 390-16-105

Status: Under Investigation

Summary: A complaint was received from Talbot Wegg alleging that Brian Wetcher, a candidate for the Port of Anacortes, received contributions in excess of the mini reporting option limits.

Disposition: Pending

**Clayton, Geoffrey --Case #04-314; Investigator: Sally Parker**

Date Received: November 24, 2003

Date Started: November 25, 2003

Section of Law: RCW 42.17.530

Status: Under Investigation

Summary: A complaint was received from Ronald Braun alleging that Geoffrey Clayton, a candidate for Woodinville Water Commissioner, sponsored political advertising in the form of yard signs that falsely implied he was an incumbent Water Commissioner.

Disposition: Pending

**Moran, Karen --Case #04-315; Investigator: Sally Parker**

Date Received: November 10, 2003

Date Started: November 25, 2003

Section of Law: RCW 42.17.080 & .090

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

Status: Under Investigation

Summary: A complaint was received from Scott Hamilton alleging that Karen Moran, a candidate for Sammamish City Council, failed to report telemarketing phone calls that were made in support of her candidacy.

Disposition: Pending

**Raplee, Debra--Case #04-399; Investigator: Lori Anderson**

Date Received: December 29, 2003

Date Started: January 5, 2004

Section of Law: RCW 42.17.530

Status: Under Investigation

Summary: A complaint was received from Todd Livingood alleging that Debra Raplee, a candidate for Kent City Council, sponsored political advertising that contained false statements made against Leona Orr, an incumbent Kent City Councilperson.

Disposition: Pending

**Gregoire, Christine (2004 Campaign)--Case #04-400; Investigator: Suemary Trobaugh**

Date Received: January 12, 2004

Date Started: January 12, 2004

Section of Law: RCW 42.17.640, .670 & 730

Status: Under Investigation

Summary: A complaint was received from Peter Abbarno, Executive Director of the Washington State Republican Party, alleging that the People for Chris Gregoire for Governor Campaign: 1) violated RCW 42.17.730 by assisting and paying for the bundling of campaign contributions intended for the Gregoire Campaign; 2) violated RCW 42.17.670 by failing to report the earmarked contributions as contributions from EMILY's List; and 3) violated RCW 42.17.640 by exceeding campaign contribution limits.

Disposition: Pending

**EMILY's List--Case #04-401; Investigator: Suemary Trobaugh**

Date Received: January 12, 2004

Date Started: January 12, 2004

Section of Law: RCW 42.17.640, .670 & 730

Status: Under Investigation

Summary: A complaint was received from Peter Abbarno, Executive Director of the Washington State Republican Party, alleging that EMILY's List: 1) violated

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

RCW 42.17.730 by bundling campaign contributions; 2) violated RCW 42.17.670 by failing to report earmarked contributions it solicited on behalf of the Christine Gregoire Campaign for Governor at its Washington, D.C. headquarters; and 3) violated RCW 42.17.640 by exceeding campaign contribution limits.  
Disposition: Pending

**Rose, Foster--Case #04-419; Investigator: Kurt Young**

Date Received: January 16, 2004  
Date Started: January 16, 2004  
Section of Law: RCW 42.17.770  
Status: Under Investigation  
Summary: A PDC staff generated complaint was filed by Vicki Rippie, PDC Executive Director, alleging that Foster Rose solicited from candidates for the office of Bellingham Mayor an appointment to the paid position of Deputy Administrator for the City of Bellingham in exchange for his endorsement of those candidates.  
Disposition: Pending

**More Cops Now & Ed Troyer, Treasurer --Case #04-423; Investigator: Sally Parker**

Date Received: January 16, 2004  
Date Started: January 16, 2004  
Section of Law: RCW 42.17.080, .090, .105 & .3691  
Status: Under Investigation  
Summary: A PDC staff generated complaint was filed by Vicki Rippie, PDC Executive Director, alleging that More Cops Now committee, a political committee formed to support a local ballot proposition in Pierce County: (1) failed to include on its committee registration form (PDC form C-1pc) an address or time for public inspection of its campaign books and records during the eight days before the election and failed to file its post election C-4 report of contribution and expenditure activities; (2) accepted a contribution in excess of \$5,000 within 21 days of the general election, and failed to file a last minute contribution report for such contribution; and (3) failed to file its contribution and expenditure reports electronically.  
Disposition: Pending

**Yes on Initiative 18 Committee-- Case #04-438; Investigator: Kurt Young**

Date Received: February 13, 2004  
Date Started: February 19, 2004  
Section of Law: RCW 42.17.080 & .090

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

Status: Under Investigation

Summary: A complaint was received from Steve Williamson, Executive Secretary of the King County Labor Council, AFL-CIO alleging that the Yes on Initiative 18 Committee (Yes on I-18), a political committee supporting a local ballot proposition in King County, failed to file C-3 and C-4 reports of contribution and expenditure activities, and alleging that Yes on I-18 failed to disclose a \$20,000 payment to Tim Eyman in exchange for services, since it was a “gift”.

Disposition: Pending

**Thurston Citizens for a Better Community--Case #04-439 Investigator: Tony Perkins**

Date Received: February 25, 2004

Date Started: March 2, 2004

Section of Law: RCW 42.17.080 & .090

Status: Under Investigation

Summary: A complaint was received from Jerome Parker alleging that the Thurston Citizens for a Better Community failed to timely file contribution and expenditure reports disclosing committee activities.

Disposition: Pending

**Pierce County Officials-- Case #04-440; Investigator: Kurt Young**

Date Received: March 3, 2004

Date Started: March 3, 2004

Section of Law: RCW 42.17.130

Status: Under Investigation

Summary: Three separate complaints were received from David Franta, Donald Veal, and Dale Washam, alleging that officials of Pierce County used the public resources and facilities of the county to promote Proposition 1, a 2003 general election ballot proposition.

Disposition: Pending

## **Cases Under Review**

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

**The American Dream Coalition--Case #03-079; Investigator: Kurt Young**

Date Received: November 1, 2002

Date Started: November 1, 2002

Section of Law: RCW 42.17.100 and .530

Status: Under Review

Summary: A complaint was filed by John D. Morgan, Chair of the Kitsap County Democratic Central Committee, alleging that “The American Dream Coalition” and Michael Svardh failed to report independent expenditures made in opposition to Tim Botkin, an incumbent Kitsap County Commissioner seeking re-election, and made false statements about Mr. Botkin in political advertising paid for and sponsored by “The American Dream Coalition.”

Disposition: Pending

**Fortunato, Phil, WA State Republican Party and Minnick, Chad--Case #03-154; Investigator: Lori Anderson**

Date Received: December 30, 2002

Date Started: January 10, 2003

Section of Law: RCW 42.17.530

Status: Under Review

Summary: A complaint was received from Geoff Simpson, a candidate for State Representative in the 47<sup>th</sup> Legislative District in 2002, against Phil Fortunato, also a candidate for State Representative in the 47<sup>th</sup> Legislative District, the Washington State Republican Party and Chad Minnick, a political consultant, alleging that the Respondents sponsored political advertising that contained false statements of material fact made with actual malice against Geoff Simpson during the 2002 legislative campaign between Mr. Fortunato and Mr. Simpson.

Disposition: Pending

**Marin, Richard--Case #03-489; Investigator: Sally Parker**

Date Received: June 19, 2003

Date Started: June 30, 2003

Section of Law: RCW 42.17.080, & RCW 42.17.090

Status: Under Review

Summary: A complaint was received from Raymond Martin, alleging the Richard Marin, a candidate for Edmonds City Council, failed to timely file reports of contributions and expenditures and failed to report a contribution. On August 7, 2003, Mr. Martin complained that Mr. Marin failed to file an accurate and timely Personal Financial Affairs Statement. On September 5, 2003, Mr. Martin complained that Mr. Marin failed to timely report an additional contribution.

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

Disposition: Pending

**Citizens for Accountable Government--Case #04-020; Investigator: Suemary Trobaugh**

Date Received: July 9, 2003

Date Started: July 21, 2003

Section of Law: RCW 42.17.040, RCW 42.17.080 & RCW 42.17.090

Status: Under Review

Summary: A complaint was filed by Robert Smith alleging that Citizens for Accountable Government failed to register and report as a political committee for activities undertaken during a Spring of 2001 ballot proposition.

Disposition: Pending

**Sullivan, Cynthia (Surplus Funds)-- Case #04-023; Investigator: Tony Perkins**

Date Received: August 22, 2003

Date Started: August 25, 2003

Section of Law: RCW 42.17.090

Status: Under Review

Summary: A complaint was received from Stephen Finley alleging that Cynthia Sullivan, an incumbent King County Council member up for re-election in 2003, failed to timely file reports of activities undertaken with her surplus funds account, and that expenditures from her surplus funds account were not permissible.

Disposition: Pending

**Sullivan, Cynthia -- Case #04-024; Investigator: Tony Perkins**

Date Received: August 22, 2003

Date Started: August 25, 2003

Section of Law: RCW 42.17.090

Status: Under Review

Summary: A complaint was received from Stephen Finley alleging that Cynthia Sullivan, an incumbent King County Council member up for re-election in 2003, filed late and incomplete reports of contributions and expenditures regarding her 2003 re-election campaign.

Disposition: Pending

**Burrage, Jeannette--Case #04-237; Investigator: Sally Parker**

Date Received: September 8, 2003

Date Started: September 22, 2003

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

Section of Law: RCW 42.17.080 & .090

Status: Under Review

Summary: A complaint was received from Stan Scarvie alleging that Jeannette Burrage, a candidate for Des Moines City Council campaign, failed to timely file reports of contribution and expenditure activities.

Disposition: Pending

**Sax, Jeff—Case #04-244; Investigator: Tony Perkins**

Date Received: September 16, 2003

Date Started: September 19, 2003

Section of Law: RCW 42.17.060, .080, .090 & .125

Status: Under Review

Summary: A complaint was received from David Somers alleged that Jeff Sax, a candidate for Snohomish County Council in 2001, violated various sections of RCW 42.17. Mr. Somers alleged that a cash contribution (made with currency) was accepted by the Sax campaign in an amount that exceeds the allowable limit, and that the Sax campaign transferred money to Jeff Sax and his wife for expenses that were not directly related to his campaign. The complainant alleged that the Sax campaign failed to report two in-kind contributions and filed reports of contributions and expenditures late, in violation of RCW 42.17.080 and 090. Mr. Somers also alleged that the Sax campaign reported the receipt of contributions in the wrong “election cycle”, and that some of the contributions accepted by the Sax campaign exceeded contribution limits in violation of RCW 42.17.640. This portion of the complaint will not be investigated because it only applies to state office candidates.

Disposition: Pending

**Decker, Patrick --Case #04-272; Investigator: Tony Perkins**

Date Received: September 29, 2003

Date Started: October 1, 2003

Section of Law: RCW 42.17.040, .080 & .090

Status: Under Review

Summary: A complaint was received from Robert Crowe alleging that Patrick Decker, a candidate for Lynnwood City Council, failed to timely register as a candidate for public office, and that he failed to timely file reports of contribution and expenditure activities.

Disposition: Pending



**Note: If the Disposition shows "Pending," the case has not yet been resolved and no finding on the allegations has been made.**

**Long, Gary--Case #04-278; Investigator: Tony Perkins**

Date Received: October 7, 2003

Date Started: October 21, 2003

Section of Law: RCW 42.17.080 & .090

Status: Under Review

Summary: A complaint was received from J. Steven Thomas alleging that Gary Long, a candidate for fire commissioner in Snohomish County Fire District 4, exceeded the limits of mini reporting by accepting an in-kind contribution from the Snohomish Professional Firefighters Association in excess of the \$300 limit from a single contributor.

Disposition: Pending

**Towers, Steven--Case #04-279; Investigator: Tony Perkins**

Date Received: October 7, 2003

Date Started: October 21, 2003

Section of Law: RCW 42.17.080 & .090

Status: Under Review

Summary: A complaint was received from J. Steven Thomas alleging that Steven Towers, a candidate for fire commissioner in Snohomish County Fire District 4, failed to maintain records of campaign expenditures, including receipt of an in-kind contribution of a mailer paid for by the Snohomish Professional Firefighters Association, and that Mr. Towers failed to account for campaign signs in his records.

Disposition: Pending

**Sultan Citizens Coalition--Case #04-283; Investigator: Lori Anderson**

Date Received: October 15, 2003

Date Started: October 21, 2003

Section of Law: RCW 42.17.040, .080 & .090

Status: Under Review

Summary: A complaint was received from Jeff Everett alleging that Sultan Citizens Coalition engaged in activities to support and oppose local candidates, but failed to register and report as a political committee.

Disposition: Pending

**Highline Citizens for Good Government & Al Furney--Case #04-285; Investigator: Sally Parker**

Date Received: October 16, 2003

Date Started: October 21, 2003

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

Section of Law: RCW 42.17.040, .080 & .090

Status: Under Review

Summary: A complaint was received from Jeanne Pfeifer alleging that Highline Citizens for Good Government and Al Furney engaged in activities to support and oppose local candidates, but failed to register and report as a political committee.

Disposition: Pending

**Jefferson County Republican Central Committee--Case #04-288; Investigator: Sally Parker**

Date Received: October 17, 2003

Date Started: October 21, 2003

Section of Law: RCW 42.17.530

Status: Under Review

Summary: A complaint was received from William Biery alleging that the Jefferson County Republican Central Committee sponsored political advertising that contained a false statement of material fact about Mark Rose, a candidate for Jefferson County Commissioner.

Disposition: Pending

**Citizens for Better Burien/Better Burien/Ronald L. Seale--Case #04-289; Investigator: Lori Anderson**

Date Received: October 20, 2003

Date Started: October 21, 2003

Section of Law: RCW 42.17.040, .080 & .090

Status: Under Review

Summary: A complaint was received from Stephen Lamphear alleging that Citizens for Better Burien, a local political committee, failed to register and report its activities to support or oppose local candidates. The complaint also alleged that Better Burien, a separate committee, has failed to file a complete Committee Registration Statement (PDC Form C-1pc) and has not listed a time and place to review campaign records during the open records inspection period.

Disposition: Pending

**Scott, Judy --Case #04-293; Investigator: Tony Perkins**

Date Received: October 27, 2003

Date Started: October 27, 2003

Section of Law: RCW 42.17.040, .080, .090 & WAC 390-16-105

Status: Under Review

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

Summary: A complaint was received from Steven Clayton alleging that Judy Scott, a candidate for Port of Allyn Commissioner, exceeded the limits of Mini reporting, and failed to disclose contribution and expenditure activities as required for a candidate

Disposition: Pending

**Association of Washington Business--Case #04-305; Investigator: Kurt Young**

Date Received: October 28, 2003

Date Started: November 4, 2003

Section of Law: RCW 42.17.180

Status: Under Review

Summary: A complaint was received from Diane McDaniel with the Washington State Labor Council alleging that the Association of Washington Business (AWB), a lobbyist employer, made in-kind contributions to the Workers Against Job Killing Rules, a political committee supporting a statewide initiative, that were “significant in nature” for employee work conducted on behalf of Initiative 841 that was not reported as required for a lobbyist employer.

Disposition: Pending

**NOTE: On July 29, 2002, King County Superior Court Judge Richard McDermott issued a Permanent Injunction in *Washington Education Association v. PDC et al.* against the PDC’s distribution of, investigations concerning, and enforcement of certain provisions of the PDC’s “Guidelines for School Districts in Election Campaigns” that were finalized by the PDC in August 2001. The Guidelines explain the PDC’s interpretation of RCW 42.17.130. The Findings of Fact and Conclusions of Law that were also entered by the superior court, along with the Permanent Injunction, raised questions about the constitutionality of RCW 42.17.130. The PDC filed an appeal from the Permanent Injunction with the Washington State Supreme Court, and also filed an Emergency Motion to Stay the Injunction Pending Appeal. On September 4, 2002, that motion was denied. As a result, the Permanent Injunction, and the Findings of Fact and Conclusions of Law, remained in effect. The State Supreme Court heard this case after full briefing and arguments by the parties and has issued its written decision overturning the lower courts injunction.**

**Investigations for the following six cases alleging a violation of RCW 42.17.130 had been listed as “suspended” in previous compliance memo’s pending the outcome of the litigation referred to above. The pending litigation has been resolved, and on January 13, 2004, the Commission instructed staff to re-activate its investigations of alleged violations of RCW 42.17.130. In future compliance memos, these six cases will be listed with the other cases as**

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

**active investigations. In addition, a number of complaints alleging violations of RCW 42.17.130 were received during the time when investigations were under suspension, and those cases will also be listed in future compliance memos.**

**City of Vancouver (City Officials) -- Case #02-286; Investigator: Suemary Trobaugh**

Date Received: January 30, 2002

Date Started: February 13, 2002

Section of Law: RCW 42.17.130

Status: Investigation Suspended

Summary: A complaint was received from Kelly Hinton alleging that officials of the City of Vancouver used city facilities to support a February 5, 2002, local ballot proposition.

Disposition: Pending

**Spencer, Dane-- Case #02-291; Investigator: Suemary Trobaugh**

Date Received: March 18, 2002

Date Started: April 1, 2002

Section of Law: RCW 42.17.130

Status: Investigation Suspended

Summary: A complaint was received from Tom Hujar alleging that officials of the Bainbridge Island Park District used park facilities to support a February 5, 2002, local ballot proposition.

Disposition: Pending

**Foote, Jr., H. M. -- Case #02-292; Investigator: Sally Parker**

Date Received: April 1, 2002

Date Started: April 15, 2002

Section of Law: RCW 42.17.130 and .510

Status: Investigation Suspended

Summary: A complaint was received from Robert Awford alleging that Michael Foote used the facilities of King County Water District #54 to produce and distribute a flyer that supported or opposed candidates for Des Moines City Council during the 2001 City Council elections.

Disposition: Pending

**Foote, Jr., H. M. -- Case #02-296; Investigator: Sally Parker**

Date Received: April 15, 2002

Date Started: April 19, 2002

Section of Law: RCW 42.17.040, .080, .090, .100, .130, .240 and .510

**Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.**

Status: .130 Portion of Investigation Suspended

Summary: A complaint was received from Dave Kaplan alleging a number of violations against several candidates and individuals. One allegation was that Michael Foote used the facilities of King County Water District #54 to produce and distribute a flyer that supported or opposed candidates for Des Moines City Council in the 2001 City Council elections. That portion of the complaint has been suspended pending the outcome of pending litigation. See Table of Contents for location of additional case summary information.

Disposition: Pending

**Anderson, Don--Case #03-007; Investigator: Kurt Young**

Date Received: July 10, 2002

Date Started: July 10, 2002

Section of Law: RCW 42.17.130

Status: Investigation Suspended

Summary: A complaint was received from Karl Sloan alleging that Don Anderson, an employee of the Okanogan County Prosecutor's Office and a candidate for Okanogan County Prosecutor in 2002, violated RCW 42.17.130 by using the facilities of the Okanogan County Prosecutor's Office to support his candidacy.

Disposition: Pending